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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/620,429	07/17/2003	Terry Cadigan	52493.000343	1099
21967 7590 02/02/2009 HUNTON & WILLIAMS LLP INTELLECTUAL PROPERTY DEPARTMENT 1900 K STREET, N.W. SUITE 1200 WASHINGTON, DC 20006-1109			EXAMINER SOREY, ROBERT A	
			ART UNIT 3626	PAPER NUMBER
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/620,429

Applicant(s)

CADIGAN ET AL.

Examiner

ROBERT SOREY

Art Unit

3626

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 02 October 2008.
2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-11, 21-27 and 29-36 is/are pending in the application.
4a) Of the above claim(s) _____ is/are withdrawn from consideration.
5) ☐ Claim(s) _____ is/are allowed.
6) ☒ Claim(s) 1-11, 21-27 and 29-36 is/are rejected.
7) ☐ Claim(s) _____ is/are objected to.
8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/S508)
Paper No(s)/Mail Date _____
4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____

DETAILED ACTION

Status of Claims

1. In the amendment filed 10/02/2008, the following occurred: Claims 12-20 and 28 were cancelled, and claim 21 was amended. Claims 1-22, 21-27, and 29-36 are presented for examination.

Response to Amendments

2. Applicant's amendments appear to not add new matter and will be treated below on the merits.

Claim Objections

3. **Claim 29** is objected to for improper dependence upon a cancelled claim (claim 28). The claim must be cancelled or amended in some way as to remedy this deficiency. Appropriate action is required.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. **Claims 1-7, 9, 11, 21-26, and 29** are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent 6,343,271 to Peterson et al. in view of U.S. Patent Application Publication 2003/0167220 to Schoen et al.

6. As per claim 1, Peterson et al. teaches an automated system for managing insurance information and processing insurance claims, the automated system residing on a host server and comprising (see: column 3 line 66 through column 4, line 5):

--means for capturing and maintaining disablement information (see: column 8, lines 50-60) including a network interface and a user interface for capturing the disablement information (Fig. 2, ele. 32)(see: column 2, lines 1-4; column 3 line 66 through column 4, line 5; column 6, lines 64-66; column 7, lines 44-56; and column 14, lines 16-31) and a database for storing the disablement information (Fig. 2, ele. 28; Fig. 4, ele. 28 and 50; and Fig. 10, ele. 236 and 240); and

--processing tools for processing the disablement information, the processing tools comprising a benefits calculation engine for determining benefits payable (Fig. 1, ele. 20)(see: column 6, lines 48-63),

Peterson et al. fails to specifically point out:

the benefits calculation engine comprising a plurality of formulas, each formula corresponding to specific disablement information, wherein the benefits calculation engine calculates benefits for multiple reimbursement products available for multiple disablement scenarios.

However, Schoen et al. teaches a system "to enable disability issuing insurance carriers....to perform data processing, calculation of coverage and or benefits, premium, and/or other consideration, record keeping and other requisite functions attendant to offering and administering group or individual disability insurance" (see: Schoen et al., paragraph 39); furthermore, it is possible to "set up multiple plans based upon different

participation criteria" and the "system must be capable to tracking each plan separately yet combine them for various purposes" (see: Schoen et al., paragraph 258). It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Peterson et al. and Schoen et al. with the rationale of providing the proper financial means to implement an insurance policy and to allow "insurers...to customize reports based upon different combinations of plans" (see: Schoen et al., paragraph 258).

7. As per claim 2, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 1, and further teaches:

--the processing tools further comprise benefit payment processing tools for paying benefits calculated by the benefits calculations engine (see: column 1, lines 8-15; column 4, lines 60-65; and column 10, lines 7-16).

8. As per claim 3, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 1, and further teaches:

--the processing tools further comprise claim management and plan loading tools for updating the benefits calculation engine (see: column 8, lines 48-64).

9. As per claim 4, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 1, and further teaches:

--the processing tools further comprise customer service tools for collecting provider data, conducting claims inquiries, and facilitating new claims setup (Fig. 2, ele. 30)(see: column 6, lines 15-20; and column 9, lines 18-25).

10. As per claim 5, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 1, and further teaches:

--the processing tools further comprise claim adjudication tools for tracking financial adjudication data (Fig. 4, ele. 48)(see: column 9, lines 46-50).

11. As per claim 6, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 1, and further teaches:

--the processing tools further comprise expense payment and adjustment tools for processing reimbursement vendor bills, separating benefits from expenses, and remitting fees for multiple transactions in a single transaction (Fig. 1 and 4)(see: column 8, lines 55-59; column 8, line 65-column 9, line 16; column 9, lines 17-35; and column 9, line 62 through column 10, line 16).

Note that Peterson represents the benefits and expense/payment modules separately in the drawings, and that the adjudication and banking functions read on the accounting aspects of applicant's invention including: reimbursement of bills, separating accounting functions, and reimbursement of multiple transactions via a single payment, all of which is old and well known in the art at the time the invention was made.

12. As per claim 7, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 6, and further teaches:

--the expense payment and adjustment tools further comprise means for applying payments by claim to benefit and expense accounts (see: column 2, lines 1-14).

13. As per claim 9, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 1, and further teaches:

--claim and financial reporting tools for performing financial reporting, claim valuation, statistical analysis, partnership reporting, bank reconciliation (see: column 10, lines 1-6), and check writing (see: column 2, lines 1-14).

Peterson et al. fails to specifically point out the unmapped limitations; however, Shoen et al. teaches financial reporting (see: Shoen et al., paragraph 258), claim valuation (see: Shoen et al., paragraph 169), statistical analysis (see: Shoen et al., paragraph 27), and partnership reporting (see: Shoen et al., paragraph 258).

14. As per claim 11, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 1, and further teaches:

--the benefits calculation engine comprises means for accessing a benefit code applicable to each reimbursement product (see: column 2, lines 30-56).

15. As per claim 21, Peterson et al. teaches a method for reducing the manual effort involved in insurance claims payment, benefits calculation, and vendor bill calculation, the method comprising using an automated system for performing the steps of:

--capturing disablement information (see: column 8, lines 50-60) *for adjudication, claims management, and pricing* (see: column 3, line 65 through column 4, line 6; and column 9, lines 46-50);

--performing automated benefits calculation for existing plans with a benefits calculation engine (see: column 4, lines 58-65);

--providing means for loading future plan calculations and eligibility (see: column 16, lines 25-37);

--performing statutory and internal reporting and feeds; and

However, Peterson et al. does not specifically teach future plan calculations and performing statutory and internal reports and feeds. Schoen et al. teaches a system "to enable disability issuing insurance carriers....to perform data processing, calculation of coverage and or benefits, premium, and/or other consideration, record keeping and other requisite functions attendant to offering and administering group or individual disability insurance" (see: Schoen et al., paragraph 39); furthermore, it is possible to "set up multiple plans based upon different participation criteria" and the "system must be capable to tracking each plan separately yet combine them for various purposes" (see: Schoen et al., paragraph 258). It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Peterson et al. and Schoen et al. with the rationale of providing the proper financial means to implement an insurance policy and to allow "insurers...to customize reports based upon different combinations of plans" (see: Schoen et al., paragraph 258).

Furthermore, Peterson et al. teaches:

--*downloading policyholder information to set up and administer claims* (see: column 4, lines 6-20); and

--the method further comprising the step of accessing a benefit code in order to select an appropriate reimbursement formula (see: column 2, lines 30-56).

16. As per claim 22, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 21, and further teaches:

--the step of paying a benefit amount calculated by the benefits calculations engine using benefit payment processing tools (see: column 1, lines 8-15; column 4, lines 60-65; and column 10, lines 7-16).

17. As per claim 23, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 22, and further teaches:

--the step of providing means for loading future plan calculations and eligibility comprises receiving updated calculation information with claim management and plan loading tools (see: column 7, lines 18-44; and column 8, lines 55-64).

18. As per claim 24, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 23, and further teaches:

--the step of capturing disablement information comprises using customer service tools for collecting data (Fig. 2, ele. 32)(see: column 2, lines 1-4; column 3 line 66 through column 4, line 5; column 6, lines 64-66; column 7, lines 44-56; column 14, lines 16-31; and column 8, lines 50-60).

19. As per claim 25, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 21, and further teaches:

--the step of tracking financial adjudication data using claim adjudication tools (Fig. 4, ele. 48)(see: column 9, lines 46-50).

20. As per claim 26, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 21, and further teaches:

--using expense payment and adjustment tools for processing reimbursement vendor bills, separating benefits from expenses, and remitting fees for multiple

transactions in a single transaction (Fig. 1 and 4)(see: column 8, lines 55-59; column 8, line 65-column 9, line 16; column 9, lines 17-35; and column 9, line 62 through column 10, line 16).

Note that Peterson represents the benefits and expense/payment modules separately in the drawings, and that the adjudication and banking functions read on the accounting aspects of applicant's invention including: reimbursement of bills, separating accounting functions, and reimbursement of multiple transactions via a single payment, all of which is old and well known in the art at the time the invention was made.

21. As per claim 29, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 28, but does not specifically teach:

--the step of using formula having calculation steps and traffic regulating steps in order to calculate benefits.

However, Shoen et al. teaches formulas having calculation steps and traffic regulating steps (see: paragraph 254-255 and 308).

22. **Claims 8, 10, 27, and 30-36** are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent 6,343,271 to Peterson et al. in view of U.S. Patent Application Publication 2003/0167220 to Schoen et al. and further in view of Official Notice.

23. As per claim 8, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 6, and further teaches:

--the expense payment and adjustment tools further comprise means for handling voided checks and returned checks and means for allowing benefit payments

to be canceled and associated checks to be voided (see: column 10, lines 36-42; column 15, lines 36-40; and column 17, lines 5-10).

Peterson et al. does not specifically teach canceling benefit payments, but doing so is unnecessary because it is inherent to disability insurance. For example, benefits are canceled once the injured party is able to return to work or once a benefits cap is reached.

Peterson et al. does not teach voiding checks for undue payment; however, the examiner takes Official Notice that voiding a check for a canceled payment is common, old, and well known in the art at the time the invention was made. It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Peterson et al. and the examiner's Official Notice with the rationale of providing cost savings to the benefits provider.

24. As per claim 10, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 1, and further teaches:

--the benefits calculation engine comprises means for limiting benefit payments to coverage maximums (see: column 7, lines 31-43) and for calculating an elimination period in days and a deductible in dollars (see: column 8, lines 50-60).

Peterson et al. does not specifically teach calculating an elimination period in days and a deductible in dollars, but the examiner takes Official Notice that these elements were old and well known in the art at the time the invention was made. For example, in one plan, a male accountant who purchases a monthly benefit of \$4250 to age 65 will pay \$4036 annually for a policy with a 30-day elimination period and a \$500

deductible. It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Peterson et al., Shoen et al., and the examiner's Official Notice with the rationale of providing the proper financial means to implement a disablement insurance policy.

25. As per claim 27, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 21, and further teaches:

--the step of performing automated benefits calculation comprises limiting benefit payments to coverage maximums (see: column 7, lines 31-43) and calculating an elimination period and a deductible (see: column 8, lines 50-60).

Peterson et al. does not specifically teach calculating an elimination period and a deductible, and the examiner takes Official Notice that these elements were old and well known in the art at the time the invention was made. For example, in one plan, a male accountant who purchases a monthly benefit of \$4250 to age 65 will pay \$4036 annually for a policy with a 30-day elimination period and a \$500 deductible. It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Peterson et al., Shoen et al., and the examiner's Official Notice with the rationale of providing the proper financial means to implement a disablement insurance policy.

26. As per claim 30, Peterson et al. teaches a method for automatically processing a request for insurance benefits, the method comprising:

--receiving a benefit request (see: column 2, lines 40-51);

--accessing captured disablement information to determine an appropriate benefit (see: column 4, lines 21-65);

--searching for a formula that corresponds to the appropriate benefit, each formula including at least one calculation step selected from a total dollars step that generates an amount for indemnity benefits, a MAX step that limits an amount payable to a maximum (see: column 7, lines 31-43), an EP step that requires an elimination period to be met prior to payment (see: column 8, lines 50-60), and a PCT step that pays a fixed percentage of remaining funds (see: column 8, lines 50-60);

Peterson et al. does not specifically teach calculating an elimination period or a fixed percentage of remaining funds, but the examiner takes Official Notice that these elements were old and well known in the art at the time the invention was made. For example, in one plan, a male accountant purchases a monthly benefit of 80% of his monthly income prior to disability to age 65 with a 30-day elimination period and a \$1,000,000.00 cap. It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Peterson et al., Shoen et al., and the examiner's Official Notice with the rationale of providing the proper financial means to implement a disablement insurance policy.

Peterson et al. further teaches:

--modifying an existing formula to correspond to an appropriate benefit if the appropriate benefit has no corresponding formula (see: column 4, lines 6-58); and

--using the corresponding formula to calculate a benefit (Fig. 6, ele. 92)(see: column 12, lines 50-54).

Peterson et al. does not specifically teach the formulas and calculating benefits; however, Schoen et al. teaches a system "to enable disability issuing insurance carriers....to perform data processing, calculation of coverage and or benefits, premium, and/or other consideration, record keeping and other requisite functions attendant to offering and administering group or individual disability insurance" (see: Schoen et al., paragraph 39); furthermore, it is possible to "set up multiple plans based upon different participation criteria" and the "system must be capable to tracking each plan separately yet combine them for various purposes" (see: Schoen et al., paragraph 258). It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Peterson et al. and Schoen et al. with the rationale of providing the proper financial means to implement an insurance policy and to allow "insurers...to customize reports based upon different combinations of plans" (see: Schoen et al., paragraph 258).

27. As per claim 31, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 30, and further teaches:

--the step of accessing captured disablement information includes accessing claimant services information, assessment data, plans of care, care management costs, losses by activities of daily living (see: column 4, lines 6-54), and eligible facilities (see: column 8, lines 26-64).

28. As per claim 32, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 30, but fails to teach:

--the step of searching for a formula further includes searching for a formula having a traffic regulating step, each traffic regulating step having four parameters including a condition, a next step, a default step, and on SQL expression.

However, Shoen et al. teaches formulas having calculation steps and traffic regulating steps (see: paragraph 254-255 and 308), parameters including; condition (see: paragraphs 254-255) a next step (see: paragraphs 254 and 255); a default step (see: paragraphs 254 and 255); and an SQL expression (see: paragraphs 175 and 360).

29. As per claim 33, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 30, and further teaches:

--the step of paying the calculated benefit using benefit payment processing tools (see: column 1, lines 8-15; column 4, lines 60-65; and column 10, lines 7-16).

30. As per claim 34, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 30, but fails to specifically point out:

--the step of performing financial reporting with claim reporting tools.

However, Shoen et al. teaches financial reporting (see: Shoen et al., paragraph 258).

31. As per claim 35, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 30, and further teaches:

--the step of tracking financial adjudication data using claim adjudication tools (Fig. 4, ele. 48)(see: column 9, lines 46-50).

32. As per claim 36, Peterson et al. teaches the invention substantially as claimed, see discussion of claim 30, and further teaches:

--the step of capturing disablement information using customer service tools (Fig. 2, ele. 32)(see: column 2, lines 1-4; column 3 line 66 through column 4, line 5; column 6, lines 64-66; column 7, lines 44-56; column 14, lines 16-31; and column 8, lines 50-60).

Response to Arguments

33. Applicant's arguments from the response filed on 10/10/2008 have been fully considered and will be addressed below in the order in which they appeared.

34. In the remarks, Applicant argues in substance that (1) (claim 1) "Peterson fails to specifically point out (i.e., fails to teach), the benefits calculation engine comprising a plurality of formulas, each formula corresponding to specific disablement information. While the Office Action then proposes to modify Peterson with teachings of Schoen, the Office Action indeed fails to cure this acknowledged deficiency of Peterson. In other words, even if it were obvious to modify Peterson with Schoen as alleged in the Office Action, which Applicant does not admit, such would still fail to cure the deficiencies of Peterson acknowledged in the Office Action. Thus, the 35 U.S.C. 103 rejection is deficient."; that (2) (claim 28) "Applicant acknowledges that Peterson does talk to the use of codes. However, Applicant submits that such portion of Peterson does not describe "the step of accessing a benefit code in order to select an appropriate reimbursement formula" as alleged in the Office Action. Indeed, it appears that Peterson, therein, fails to set forth teachings of a reimbursement formula, much less the

particulars of the benefit code vis-8-vis the reimbursement formula, as claimed.

Clarification of how Peterson describes such claimed feature is requested.”; that (3) (claim 28) “Even more so, as to the deficiencies of the rejection, such relied upon teaching (Peterson column 2, lines 30-56) is set forth in the “Background of the Invention” of Peterson’s disclosure. The Office Action utilizes such teaching in conjunction with the “Invention” of Peterson (i.e., as set forth in Peterson’s Summary of the Invention, and Detailed Description). However, the Background of the Invention of Peterson and the Invention of Peterson are distinct and separate. Thus, in order to combine the Background of the Invention with the Invention, a 35 U.S.C. 103 analysis as set forth above, is required, i.e., a Graham v. John Deere analysis is required. However, the Office Action sets forth no such analysis, but rather treats the Background of the Invention and the Invention of Peterson as one, which it is not. Accordingly, the rejection is deficient in that the analysis is inappropriate.”; and that (4) “The Office Action relies upon “Official Notice.” Applicant submits that it is never appropriate to rely solely on “common knowledge” in the art without evidentiary support in the record, as the principal evidence upon which a rejection was based.”

35. In response to Applicant’s argument that (1) (claim 1) “Peterson fails to specifically point out (i.e., fails to teach), the benefits calculation engine comprising a plurality of formulas, each formula corresponding to specific disablement information. While the Office Action then proposes to modify Peterson with teachings of Schoen, the Office Action indeed fails to cure this acknowledged deficiency of Peterson. In other words, even if it were obvious to modify Peterson with Schoen as alleged in the Office

Action, which Applicant does not admit, such would still fail to cure the deficiencies of Peterson acknowledged in the Office Action. Thus, the 35 U.S.C. 103 rejection is deficient.", the Examiner respectfully disagrees.

Applicant's argument is not found persuasive. Applicant teaches processing tools including a benefits calculation engine for determining benefits payable which is met by the benefits system as taught by Peterson, the benefits system accessible to determine the scope of medical coverage for a patient and provide benefit information. Though Peterson teaches automatic adjudication of a claim, Peterson fails to specifically teach that the benefits calculation engine comprises a plurality of formulas corresponding to specific disablement information, and calculates benefits for multiple reimbursement products available for multiple disablement scenarios; however, Schoen teaches a system for disability insurance carriers that can process data by calculating coverage and benefits for multiple plans based on different participation criteria. It is understood and obvious that calculating coverage for multiple plans with different participation criteria (or even a single plan) are associated with a plurality of coverage and benefits calculations, which reads on the plurality of formulas corresponding to specific disablement information and the benefit calculations for multiple reimbursement products for multiple scenarios. The combination of Peterson and Schoen was made with a proper statement of motivation, and the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally

available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992).

36. In response to Applicant's argument that (2) (claim 28) "Applicant acknowledges that Peterson does talk to the use of codes. However, Applicant submits that such portion of Peterson does not describe "the step of accessing a benefit code in order to select an appropriate reimbursement formula" as alleged in the Office Action. Indeed, it appears that Peterson, therein, fails to set forth teachings of a reimbursement formula, much less the particulars of the benefit code vis-a-vis the reimbursement formula, as claimed. Clarification of how Peterson describes such claimed feature is requested.", the Examiner respectfully disagrees.

Applicant's argument is not found persuasive. Peterson teaches a payment request with associated diagnostic, treatment, medical services, and procedures codes which are used in claims review and adjudication processes, which have already been taught (see: response to argument (1) above) through an obviousness-type combination of Peterson and Schoen to correspond to multiple calculations for determining disablement reimbursement benefits.

37. In response to Applicant's argument that (3) (claim 28) "Even more so, as to the deficiencies of the rejection, such relied upon teaching (Peterson column 2, lines 30-56) is set forth in the "Background of the Invention" of Peterson's disclosure. The Office Action utilizes such teaching in conjunction with the "Invention" of Peterson (i.e., as set forth in Peterson's Summary of the Invention, and Detailed Description). However, the

Background of the Invention of Peterson and the Invention of Peterson are distinct and separate. Thus, in order to combine the Background of the Invention with the Invention, a 35 U.S.C. 103 analysis as set forth above, is required, i.e., a Graham v. John Deere analysis is required. However, the Office Action sets forth no such analysis, but rather treats the Background of the Invention and the Invention of Peterson as one, which it is not. Accordingly, the rejection is deficient in that the analysis is inappropriate.", the Examiner respectfully disagrees.

Applicant's argument is not found persuasive. One cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986). Furthermore, the test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference; nor is it that the claimed invention must be expressly suggested in any one or all of the references. Rather, the test is what the combined teachings of the references would have suggested to those of ordinary skill in the art. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981). It is submitted that the combination teaches the claimed invention because the "Background of the Invention" teaches the coding aspects claimed by applicant in claim 28 (now incorporated into claim 21). In fact, Peterson teaches that such coding is old and well known in the art and it would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate said feature.

38. In response to Applicant's argument that (4) "The Office Action relies upon "Official Notice." Applicant submits that it is never appropriate to rely solely on "common knowledge" in the art without evidentiary support in the record, as the principal evidence upon which a rejection was based.", the Examiner respectfully disagrees.

Applicant's argument is not found persuasive. Applicant has attempted to challenge the Examiner's taking of Official Notice in the 04/02/2008 Office Action. There are minimum requirements for a challenge to Official Notice:

(a) In general, a challenge, to be proper, must contain adequate information or arguments so that *on its face* it creates a reasonable doubt regarding the circumstances justifying the Official Notice.

(b) Applicants must reasonably traverse (challenge) the taking of Official Notice as soon as practicable, meaning the next response following an Office Action. If an applicant fails to seasonably traverse the Official Notice during examination, his right to challenge the Official Notice is waived.

Applicant has not provided adequate information or arguments so that *on its face* it creates a reasonable doubt regarding the circumstances justifying the Official Notice. Therefore, the presentation of a reference to substantiate the Official Notice is not deemed necessary. The Examiner's taking of Official Notice has been maintained.

Bald statements such as, "it is never appropriate to rely solely on "common knowledge" in the art without evidentiary support in the record" are not adequate and do not shift the burden to the Examiner to provide evidence in support of the Official Notice.

Furthermore, Applicant states that it is never appropriate to rely "solely" on "common knowledge" in the art, however, the rejections that incorporate Official Notice were 35 U.S.C. 103(a) obviousness-type rejections and did not rely "solely" on common knowledge. Though it is stated that it is never appropriate to rely solely of "common knowledge", the MPEP chapter 2144.03, which is quoted by Applicant, states clearly that such reliance "is permissible only in some circumstances" where "the facts asserted to be well-know, or to be common knowledge in the art are capable of instant and unquestionable demonstration as being well-know". To this end the Examiner gave clear examples showing that facts asserted were capable of instant and unquestionable demonstration as being well-known. However, though unnecessary to maintain the rejection, the Examiner has included references (cited on the PTO-892 worksheet: Buchanan teaches voided checks in column 2, lines 12-35; Rejda and Rubin teach an elimination period, a deductible, calculating a total step, calculating an elimination period step, and calculating a fixed percentage of remaining funds) that support assertions made by Official Notice.

Conclusion

39. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).
40. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the

shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

41. Any inquiry concerning this communication or earlier communications from the examiner should be directed to ROBERT SOREY whose telephone number is (571)270-3606. The examiner can normally be reached on Monday through Friday, 8:30AM to 5:00PM (EST).

42. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Christopher Gilligan can be reached on (571)272-6770. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

43. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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/R. S./
Examiner, Art Unit 3626
27 January 2009

/C Luke Gilligan/
Supervisory Patent Examiner, Art Unit 3626